



21 January 2009

Dear stakeholder

DECISION ON INTRODUCTION OF ADDITIONAL SPECIES INTO THE QUOTA MANAGEMENT SYSTEM ON 1 OCTOBER 2009

In June 2008 the Ministry of Fisheries (MFish) released a consultation document regarding species under consideration for introduction into the QMS on 1 October 2009. The 10 species or species groups under consideration were:

- | | |
|------------------|------------------------------|
| i) Octopus | vi) Large ostrich foot whelk |
| ii) Carpet shark | vii) Hammerhead shark |
| iii) Javelinfish | viii) Orange perch |
| iv) Rattails | ix) Seal shark |
| v) Redbait | x) Silver dory |

Submissions on consultation document

Despite sending the consultation document to over 900 stakeholders believed to have catch history for one or more of the 10 species, MFish received only a small number of responses (17 in total). There was very little support from Industry for introducing any of the species into the QMS. Only four stakeholders expressed support for introducing one or more species into the QMS and for six of the 10 species not a single submission was received in favour of QMS introduction.

Preliminary conclusions presented in consultation document

Based on the information available at the time MFish believed that there were:

- Unlikely to be any sustainability concerns for any of the 10 species;
- Unlikely to be any risks to the aquatic environment; and

- With the exception of large ostrich foot whelk, no utilisation concerns.

The preliminary conclusions presented by MFish in the consultation document were that MFish would not be asking the Minister of Fisheries to introduce any of the 10 species into the QMS on 1 October 2009 and that large ostrich foot whelk would be removed from Schedule 4C of the Fisheries Act 1996 i.e. it would become an open access species.

With the exception of redbait, as detailed below, MFish has not amended its preliminary conclusions subsequent to the consultation process.

Additional information regarding redbait

Since the release of the consultation document the following additional information has become available regarding redbait catches for the 2007/08 fishing year:

- Catch was approximately 30% higher than that recorded during the previous fishing year although it was still less than the 2005/06 catch;
- Approximately 27% of the 2007/08 catch was landed as “dressed” (headed and gutted with some additional trimming), the highest proportion on record. Only 10% of the 2006/07 catch was landed in this state;
- 34% was mealed, which is the lowest proportion on record. In 2002/03 all landed redbait catch was mealed but this proportion has been declining steadily since then; and
- Approximately 11% of the 2007/08 catch was reported as being targeted. In the previous year only 3% was reported as being targeted.

The increase in targeted catch together with the increase in landings of dressed redbait indicates that there is a developing fishery for this species. If the information from the 2007/08 fishing year is incorporated into the risk analysis the risk score achieved by redbait would have been higher because of the risk of a potential impact on utilisation.

The concern over utilisation arises because MFish believes that retaining the current open access management regime for redbait would not maximise utilisation opportunities for this species i.e. the full potential of the fishery is unlikely to be realised under open access. MFish is already aware that some companies are interested in exploring the potential of redbait.

MFish believes that introducing redbait at the earliest possible opportunity (in time for the 1 October 2009 fishing year), while the fishery is still in the early stages of development and while the likely value of the quota is comparatively low, is the best management option for this fishery. Delaying the introduction of redbait into the QMS could remove incentives for fishers to invest in the fishery because they would not have the security of rights.

For these reasons MFish intends to seek the Minister of Fisheries’ agreement to introduce redbait into the QMS on 1 October 2009.

Removal of species from Schedule 4C of the Act

The species listed on Schedule 4C of the Act are those species to which the permit moratorium still applies i.e. it is generally not possible to obtain a fishing permit authorising the taking of a Schedule 4C species. If a species listed on Schedule 4C is considered by the Minister of Fisheries for QMS introduction but is not introduced into the QMS, it is removed from Schedule 4C i.e. it becomes open access.

In the consultation document MFish proposed to not introduce large ostrich foot whelk into the QMS and to ask the Minister to remove it from Schedule 4C of the Act to enable utilisation.

MFish also proposed to not introduce hammerhead shark into the QMS and to retain this species on 4C. MFish considered this a prudent course of action pending development of a prohibited utilisation process standard that can be applied to all shark species to identify those where no, or limited take, is considered to be acceptable. The standard was proposed in the New Zealand National Plan of Action for the Conservation and Management of Sharks (NPOA-Sharks), which was signed off by the Minister of Fisheries in October 2008.

After consultation MFish has not amended the preliminary conclusions regarding removal of species from Schedule 4C.

Species considered for introduction into the QMS on 1 October 2008

In the consultation document MFish presented the results of the process considering species for introduction into the QMS on 1 October 2008. MFish informed stakeholders that it would remove lamprey and seahorse from Schedule 4C. MFish had been waiting until the outcome of the current (2009) process before carrying out any steps in the 2008 process.

In the interim MFish has reconsidered this decision and has decided that retaining lamprey and seahorse on 4C is appropriate.

In the case of lamprey, it is listed as a non-commercially harvested species in section 306 of the Ngai Tahu Claims Settlement Act 1998. The intent of that section is that lamprey is a species that commercial fishers are prohibited from targeting. Retaining lamprey on Schedule 4C (species subject to section 93 permit moratorium) achieves that intention.

In the case of seahorse, it is listed on Appendix II of CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora). Appendix II includes species not necessarily threatened with extinction but in which trade must be controlled in order to avoid utilisation incompatible with their survival. MFish considers that retaining the permit moratorium on seahorse is compatible with the species' CITES status.

Conclusions

Species considered for introduction into QMS on 1 October 2009

MFish has advised the Minister of Fisheries of the following:

1. That it will not be asking him to make a determination to introduce the following species or species groups into the QMS on 1 October 2009:
 - i) Octopus
 - ii) Carpet shark
 - iii) Javelinfish
 - iv) Rattails
 - v) Large ostrich foot whelk
 - vi) Hammerhead shark
 - vii) Orange perch
 - viii) Seal shark
 - ix) Silver dory
2. That it will be asking him to make a determination to not bring large ostrich foot whelk into the QMS and to remove this species from Schedule 4C of the Fisheries Act 1996; and
3. That hammerhead shark will remain on Schedule 4C of the Fisheries Act 1996 pending development of the prohibited utilisation standard proposed in the New Zealand National Plan of Action for the Conservation and Management of Sharks

MFish will be soon be asking the Minister to:

1. Make a determination to introduce redbait into the QMS on 1 October 2009;

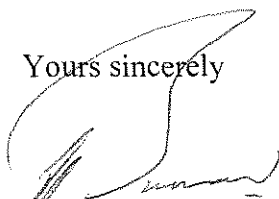
Amended decisions regarding species considered for introduction into QMS on 1 October 2008

With regard to the species that were under consideration for introduction into the QMS on 1 October 2008 MFish has advised the Minister that it has amended decisions notified to stakeholders on 10 June 2008 proposing to remove lamprey and seahorse from Schedule 4C of the Act. Specifically, MFish now intends to:

1. Retain lamprey and seahorse on Schedule 4C of the Fisheries Act.

For further information on any matter contained in this letter please contact either David Foster on (04) 819 4209 or Russell Burnard on (04) 819 4207.

Yours sincerely



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Ministry of Fisheries